

COMMUNITY CARE OUTREACH CENTER

FINANCIAL STATEMENTS
WITH SUPPLEMENTAL INFORMATION

DECEMBER 31, 2011

**COMMUNITY CARE OUTREACH CENTER
FINANCIAL STATEMENTS
WITH SUPPLEMENTAL INFORMATION
DECEMBER 31, 2011**

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Louisiana Society of Certified Public Accountants
American Institute of Certified Public Accountants
Association of Governmental Accountants
Governmental Audit Quality Control Center

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board Members of the
Community Care Outreach Center
2352 Hospital Road
New Roads, Louisiana 70760

We have reviewed the accompanying statement of financial position of Community Care Outreach Center (a non-profit organization) as of December 31, 2011, and the related statements of activities, functional expenses and cash flows as well as the schedule of expenditures of federal awards for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the management of Community Care Outreach Center. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

The management of Community Care Outreach Center is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material misstatements that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States.

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report, dated June 28, 2012 on the results of our agreed-upon procedures.

A handwritten signature in black ink that reads "Mary Sue Stages, CPA". The signature is written in a cursive, flowing style.

Mary Sue Stages, CPA
A Professional Accounting Corporation
June 28, 2012

FINANCIAL STATEMENTS

**COMMUNITY CARE OUTREACH CENTER
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2011**

ASSETS

Cash and cash equivalents	\$ 17,400.55
Grants receivable	16,172.84
Property and equipment, net	<u>76,647.54</u>
TOTAL ASSETS	<u><u>110,220.93</u></u>

LIABILITIES

Accounts payable	561.60
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NET ASSETS

Unrestricted	<u>109,659.33</u>
Total Net Assets	<u>109,659.33</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>110,220.93</u></u>

See Accompanying Notes and Independent Accountants' Review Report

COMMUNITY CARE OUTREACH CENTER
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2011

UNRESTRICTED NET ASSETS

UNRESTRICTED REVENUES AND GAINS

Contributions and other support	\$ 38,496.58
Fundraising and other revenues	13,334.46
Total Unrestricted Revenues and Gains	<u>51,831.04</u>

NET ASSETS RELEASED FROM RESTRICTIONS

Restrictions satisfied by payments	<u>250,812.97</u>
------------------------------------	-------------------

Total Unrestricted Revenues, Gains and Other Support	302,644.01
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EXPENSES

Program Services:

Primary Prevention	34,944.38
Educational	269,140.08

Supporting Services:

General and administrative	19,241.06
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Total Expenses	<u>323,325.52</u>
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DECREASE IN UNRESTRICTED NET ASSETS	(20,681.51)
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TEMPORARILY RESTRICTED NET ASSETS

Support from 21st Century Learning Center	206,766.43
Support from Capital Area Human Services District	12,508.71
Support from Child and Adult Day Care Program	12,479.61
Support from Louisiana Childrens' Trust Fund	2,500.00
Support from other federal/state grant programs	16,558.22
Net assets released from restrictions:	
Restrictions satisfied by payments	<u>(250,812.97)</u>

INCREASE IN TEMPORARILY RESTRICTED NET ASSETS	<u>-</u>
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CHANGE IN NET ASSETS	(20,681.51)
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NET ASSETS, BEGINNING OF YEAR	<u>130,340.84</u>
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NET ASSETS, END OF YEAR	<u><u>109,659.33</u></u>
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See Accompanying Notes and Independent Accountants' Review Report

**COMMUNITY CARE OUTREACH CENTER
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2011**

<u>Account Name</u>	<u>Program</u>		<u>Supporting</u>	<u>Total</u>
	<u>Primary</u>	<u>Educational</u>	<u>General</u> <u>& Admin</u>	
	<u>Prevention</u>			
Salaries and related benefits	\$ 11,452.05	\$ 111,841.11	\$ 11,343.69	\$ 134,636.85
Professional services	1,600.00	80,676.22	-	82,276.22
Depreciation	971.07	8,739.61	1,078.97	10,789.65
Insurance	204.90	1,844.07	227.66	2,276.63
Operating services:				
Accounting/auditing fees	462.54	4,162.82	-	4,625.36
Office and operating expenses	1,093.34	9,840.08	790.39	11,723.81
Rent and other occupancy expenses	4,572.28	41,150.48	5,080.31	50,803.06
Training/conferences	196.34	-	720.05	916.39
Supplies and other program expenses	10,433.73	10,885.69	-	21,319.42
Transportation	3,958.13	-	-	3,958.13
Totals	34,944.38	269,140.08	19,241.06	323,325.52

See Accompanying Notes and Independent Accountants' Review Report

**COMMUNITY CARE OUTREACH CENTER
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2011**

CASH FLOWS FROM OPERATING ACTIVITIES

Cash received from donors/grantors	\$ 289,819.75
Cash received from fundraising and other sources	13,334.46
Cash paid for employees and professionals	(134,636.85)
Cash paid for goods and services	<u>(177,899.02)</u>

Net Cash Used for Operating Activities (9,381.66)

CASH FLOWS FROM INVESTING ACTIVITIES

-

CASH FLOWS FROM FINANCING ACTIVITIES

-

DECREASE IN CASH AND CASH EQUIVALENTS

(9,381.66)

CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR

26,782.21

CASH AND CASH EQUIVALENTS, END OF YEAR

17,400.55

Continued

**COMMUNITY CARE OUTREACH CENTER
STATEMENT OF CASH FLOWS - Continued
YEAR ENDED DECEMBER 31, 2011**

RECONCILIATION OF CHANGE IN NET ASSETS TO NET
CASH USED FOR OPERATING ACTIVITIES

Change in net assets	\$ (20,681.51)
Adjustments to Reconcile Change in Net Assets to Net Cash Used for Operating Activities:	
Depreciation	10,789.65
(Increase) decrease in assets:	
Grants receivable	<u>510.20</u>
NET CASH USED FOR OPERATING ACTIVITIES	<u><u>(9,381.66)</u></u>

See Accompanying Notes and Independent Accountants' Review Report

NOTES TO FINANCIAL STATEMENTS

**COMMUNITY CARE OUTREACH CENTER
INDEX TO NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011**

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COMMUNITY CARE OUTREACH CENTER
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011

NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Community Care Outreach Center (hereafter referred to as the Corporation), a Louisiana non-profit corporation, was incorporated in 1997, and is domiciled in New Roads, Louisiana. It was formed as a community-based facility for disadvantaged, at risk adults and youth. Approximately 831% of the Corporation's support for the year ended December 31, 2011, was derived from federal/state grants and awards. The remaining 17% came from private contributions and fundraisers.

The accounting policies of the Corporation conform to accounting principles generally accepted in the United States of America as applicable to non-profit organizations. The significant accounting policies are as follows:

Method of Accounting

The financial statements of the Corporation have been prepared utilizing the accrual basis of accounting.

Financial Statement Presentation

The Corporation has adopted Statement of Financial Accounting Standards (SFAS) No. 117, *"Financial Statements of Not-for-Profit Organizations"*. Under SFAS No. 117, the Corporation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. In addition, it is required to present a statement of cash flows. As permitted by this new statement, the Corporation has discontinued its use of fund accounting and has, accordingly, reclassified its financial statements to present the three classes of net assets required. This reclassification had no effect on the change in net assets in the year it was adopted.

Contributions

The Corporation has elected to adopt SFAS No. 116, *"Accounting for Contributions Received and Contributions Made"*. In accordance with SFAS No. 116, contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support depending on the existence and/or nature of any donor restrictions. Restricted net assets are reclassified to unrestricted net assets upon satisfaction of the time or purpose of the restriction. As permitted by SFAS No. 116, the Corporation has retroactively applied the provisions of this new statement by restating net assets.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

COMMUNITY CARE OUTREACH CENTER
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Corporation considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. While separate accounts are not required, the grant agreements executed by the Corporation require that any agency funds co-mingled with funds from other sources be considered entirely public funds. The Corporation does not commingle its funds.

Receivables

Receivables consist of amounts due under federal and state grants/awards as well as amounts due for professional services rendered. The Corporation uses the direct write-off method of accounting for uncollectible receivables. Use of this method is not materially different from the allowance method required by generally accepted accounting principles, as all receivables are considered collectible. For this reason, there is no allowance recorded in the accompanying financial statements.

Property and Equipment

Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated assets to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Property and equipment purchased by the Corporation is recorded at cost. They are depreciated using the straight-line method over the estimated useful lives of the assets. Equipment with an original cost of \$500 or greater is capitalized. Interest during the construction or renovation of long-lived assets is normally capitalized. The earnings on the borrowings reduce this amount during the same period, if any.

Income Taxes

The Corporation is a not-for-profit corporation that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no liability or expense has been recorded in the accompanying financial statements.

NOTE 2 – CASH AND CASH EQUIVALENTS

At December 31, 2010, the Corporation had \$17,326.37 in demand deposits and \$74.18 in interest-bearing savings accounts. Collected bank balances were \$17,250.55, secured through FDIC.

NOTE 3 – RECEIVABLES

Amounts due to the Corporation at December 31, 2011, are as follows:

Department of Education – 21 st Century	\$ <u>16,172.84</u>
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COMMUNITY CARE OUTREACH CENTER
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011

NOTE 4 – PROPERTY AND EQUIPMENT

Property and equipment consist of the following at December 31, 2011:

Building	\$ 69,205.32
Equipment	5,075.18
Office furniture/equipment	25,326.79
Playground equipment	11,030.00
Vehicles	<u>59,734.96</u>
Sub-total	170,372.25
Less: accumulated depreciation	<u>(93,724.71)</u>
Net	<u>76,647.54</u>

NOTE 5 – ACCOUNTS PAYABLE

Payables consist of the following:

Trade	\$ <u>561.60</u>
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NOTE 6 – LEASES

The Corporation is currently obligated under one lease agreement relating to office equipment.

The Corporation leases its copier through Xerox. The monthly payment varies with usage, but \$4,104.18 was paid during the year.

NOTE 7 – NET ASSETS RELEASED FROM RESTRICTIONS

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by the expiration of time during the year.

Purpose restriction accomplished:

Primary prevention programs	\$ 24,988.32
Educational programs	<u>225,824.65</u>
Total	<u>250,812.97</u>

COMMUNITY CARE OUTREACH CENTER
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011

NOTE 8 – FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and supporting services of the Corporation have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. This allocation is summarized in the statement of functional expenses.

NOTE 9 – LIQUIDITY OF ASSETS AND LIABILITIES

The liquidity of the Corporation's assets and liabilities are as follows:

Cash and cash equivalents	\$ 17,400.55
Grants receivable	<u>16,172.84</u>
Total Current Assets	33,573.39
Accounts payable	<u>561.60</u>
Total Current Liabilities	<u>561.60</u>
Liquidity	<u>33,011.79</u>

NOTE 10 – RELATED PARTY TRANSACTIONS

During the year 2008, a loan was executed in the amount of \$22,206 for the purchase of a passenger van. While the van is titled to the Corporation, the debt was obtained in the name of the director. The Corporation made payments on this note during the year totaling \$6,777.33.

The husband of the director provided training/facilitation services to the Corporation and was paid approximately \$8,683.73. The director's stepdaughter provided similar services and was paid approximately \$13,215.53.

NOTE 11 – COMMITMENTS AND CONTINGENCIES

Litigation and Claims. There is no pending or threatened litigation against the Corporation.

NOTE 12 – SUBSEQUENT EVENTS

There were no subsequent events that would materially impact the accompanying financial statements.

SUPPLEMENTAL INFORMATION

**COMMUNITY CARE OUTREACH CENTER
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2011**

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Federal Expenditures
<i>Major Programs</i>		\$ -
<i>Other Federal Awards</i>		
<i>U.S. Department of Health and Human Services</i>		
<u>Passed Through</u>		
Capital Area Human Services District		
Strengthening Families Program	93.558	12,508.71
Louisiana Department of Education		
21st Century Community Learning Center Program	84.287C	207,276.63
<i>U.S. Department of Agriculture</i>		
<u>Passed Through</u>		
Louisiana Department of Education		
Child and Adult Care Food Program	10.559	12,479.61
Total Federal Expenditures		<u>232,264.95</u>

**Notes to Schedules of Expenditures of Federal Awards
Year Ended December 31, 2011**

Basis of Presentation

This schedule of expenditures of federal awards includes the federal grant activity of Community Care Outreach Center and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of State, Local Governments and Non-Profit Organizations*.

See Independent Accountants' Review Report

MARY SUE STAGES, CPA
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Governmental Audit Quality Control Center

INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Board Members of the
Community Care Outreach Center
2352 Hospital Road
New Roads, Louisiana 70760

We have performed certain agreed-upon procedures enumerated below, which were agreed to by the management of Community Care Outreach Center and the Legislative Auditor, State of Louisiana. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Federal, State and Local Awards

1. Determine the amount of federal, state and local award expenditures for the fiscal year by grant and grant year.

The amount of federal, state and local award expenditures was identified.

2. For each award:

- a. Randomly select 6 disbursements from each award administered during the year.

Six disbursements were selected.

- b. Traced the 6 disbursements to supporting documentation as to proper amount and payee.

No exceptions were noted.

- c. Determine if the 6 disbursements were properly coded to the correct fund and general ledger account.

No exceptions were noted.

- d. Determine whether the 6 disbursement received approval from proper authorities.

No exceptions were noted.

- e. Determine whether the 6 disbursements comply with the applicable specific program compliance requirements.

No exceptions were noted.

Meetings

- 3. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

The Board is not required to hold public meetings.

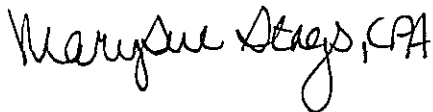
Budget

- 4. For all grants exceeding \$5,000, determine that each applicable federal, state or local grantor agency(ies) was provided with a comprehensive budget of those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance.

No exceptions were noted.

We were not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management, the Legislative Auditor, State of Louisiana, and any cognizant agency(ies) and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under LSA-RS 24:513, this report is distributed by the Legislative Auditor as a public document.



Mary Sue Stages, CPA
A Professional Accounting Corporation
June 28, 2012

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)

Mary Sue Stages, CPA, APAC
P. O. Box 30
Baker, Louisiana 70704-0030

In connection with your review of our financial statements as of December 31, 2011, and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of the date indicated below.

Public Bid Law

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office.

Yes ☒ No ☐

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes ☒ No ☐

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes ☒ No ☐

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

Yes ☒ No ☐

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes ☒ No ☐

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.

Yes ☒ No ☐

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes ☒ No ☐

Meetings

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.

Yes ☒ No ☐

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.65.

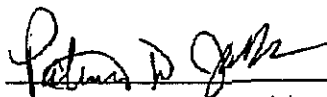
Yes ☒ No ☐

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.

Yes ☒ No ☐

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations. We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.



President 6/29/12 Date

Signatures as applicable

**COMMUNITY CARE OUTREACH CENTER
SCHEUDLE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2011**

We have reviewed the financial statements of Community Care Outreach Center as of and for the year ended December 31, 2011, and have issued our report thereon dated June 28, 2012. We conducted our review in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants.

Section I Financial Statement Findings

N/A

Section II Federal Award Findings and Questioned Costs

N/A

Section III Management Letter

N/A

**COMMUNITY CARE OUTREACH CENTER
SCHEUDLE OF PRIOR YEAR FINDINGS
YEAR ENDED DECEMBER 31, 2011**

Section I Internal Control and Compliance Material to the Financial Statements

2010.01 Compliance with Audit Law	<i>Resolved</i>
<i>Recommendation:</i> Provide books/records in sufficient time to complete engagement timely	

Section II Compliance and Internal Control Material to Federal Awards

None

Section III Management Letter

N/A